LICENSES AND CONSUMER SERVICES LICENSE INSPECTOR'S REPORT

License Number: L216-50157 **Police File Number:** F.13440

Date of Application: September 27, 2013

Inspector: Nicole Anderson

Applicant/Legal Entity: The Mill Central N.E., Inc.

DBA/Trade Name: The Mill Northeast

Complete Address: 1851 Central Ave NE, Minneapolis, MN 55418

Licenses Requested: On-Sale Liquor w/ Sunday Sales, Class E

Current License: None

Responsible person within 75 miles of Minneapolis City Hall: Mary Anne Zechmeister

Public Hearing Requirement: Required

Neighborhood/Ward: Windom Park Neighborhood/01

License Conditions: None

Zoning: C2 - This is a permitted use in the Neighborhood Corridor

Commercial District.

7 acre requirement: Met

Off-Street Parking: The Office of the Zoning Administrator has determined that

four spaces are required to be provided on site.

Churches or schools within 300 feet of the proposed premises: No

Seating: Inside: 59 Seats Outside: 26

Fire Occupancy: Inside: 82 Maximum Capacity Outside: 47

Food Service Requirement: The applicant is within 500 feet of a residentially zoned

district and is required to operate as a restaurant subject to the 60/40 ratio of food to alcohol sales. No more than 40%

of gross annual sales may be from alcohol.

Hours of operation proposed: Inside: 10:00 a.m. to 9:00 p.m. Sunday and Monday

10:00 a.m. to 10:00 p.m. Tuesday-Thursday 10:00 a.m. to 12:00 a.m. Friday-Saturday

Outside: 10:00 a.m. to 9:00 p.m. Sunday-Wednesday

10:00 a.m. to 10:00 p.m. Thursday-Saturday

Metropolitan Council Service Availability Charges: One (1) SAC charge. The SAC charge was paid on August 30, 2013.

HISTORY OF LOCATION

This location has held Restaurant licenses from 2007 until 2012, prior to that this location operated with gasoline filling station, grocery, and tobacco licenses.

APPLICANT

The applicant is The Mill Central N.E., Inc., DBA, The Mill Northeast. It was incorporated under File Number 644024900025 under Chapter 302A on February 01, 2013. The applicant has provided documentation showing adequate, legal, and traceable funding for this venture. They have the required restriction on the transfer of shares and have the following shareholders and officers:

<u>Name</u>	DOB	<u>Title</u>	Ownership (%)
Mary Anne Zechmeister	03/23/1969	President/Secretary	34%
Ryley Gahagan	01/25/1979	Vice President	33%
John Holmgren	08/18/1952	Treasurer	33%

MANAGER

The Mill Northeast will be managed by Mary Anne Zechmeister. Mary Anne Zechmeister has 25 plus years' experience in the restaurant and alcohol service industries and currently works at The Anchor Fish and Chips as a bartender and manager and was the owner of Mill City Café from 2006 until 2012, which held an on-sale liquor, Class C-1 license. She also has experience as a manager working with Oceanaire Seafood Room from 2005 to 2006 and J.D. Hoyt's Supper Club from 1995 to 2004, which both hold on-sale liquor licenses.

POLICE REVIEW

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The Second Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

PREMISES

The Mill Northeast will be a full service, sit-down restaurant. The business will occupy the main street level building at 1851 Central Avenue Northeast. The entire premises occupy approximately 2,200 square feet. The fire code occupancy is 82 people inside. The interior seating will consist of 59 seats, with 11 of those seats being bar and food counter seating and the remaining bench seats and table and chair seating. The rest of the establishment consists of a kitchen, coolers, storage areas and rest rooms. The licensed premises space is compact and contiguous. There are no undefined spaces. An outdoor area is planned to have seating for 26 people.

BUSINESS PLAN/OPERATIONS

The Mill Northeast employees will receive alcohol server training by one of the certified programs listed on the Minneapolis city training programs website. All employees will receive a written policy and a summary of laws regarding alcohol sales and will be required to sign an "Alcohol Sales and Service Employee Agreement" stating that they understand the laws

regarding alcohol sales to minors. Signs will be posted by the point-of-sale systems stating "Alcohol Sales only to those born on or before today's date, 19xx." Training to new employees will include ways to refuse sales to persons under 21 years of age and employee's will be requested to ask for photo identification from anyone buying alcoholic beverages who is obviously under the age of 30. The Mill Northeast will discuss alcohol related issues at staff meetings. Employees are advised that spot checks will be conducted randomly, in house and by the City, to check for compliance and those who knowingly serve alcohol to minors will be dismissed and those who show exceptional performance as responsible alcohol beverage sellers will be rewarded.

The Mill Northeast anticipates their security needs to be nominal but will have a staff member or member of management be responsible for security related issues. Management and staff are trained in the basic principles of establishment security and have expected protocols for handling security related issues. All staff has been trained not to admit or serve intoxicated persons. Staff is responsible for ensuring guests and other people do not loiter on the public sidewalk outside the premises.

The applicant has applied for a Class "E" Liquor License which does not permit live entertainment and they will not have speakers outside. Their entertainment will consist of background music on the interior of the business with the speakers facing the ground and toward Central Avenue. Background music will be kept at a low level to encourage normal conversation levels. All background music will be turned off 30 minutes prior to closing. Litter will be cleaned up prior to opening and throughout the day within a 100' radius of the building.

They will not offer charitable gambling or mechanical amusement devices. The applicant indicates they will sponsor The Pond Pirates broomball team and they are also looking at sponsoring the neighborhood association events in collaboration with other local businesses.

OUTDOOR PATIO

The outdoor patio will have seating for 26 people. The patio will be located near the rear of the establishment on the parking lot side. Landscaping with shrubbery, trees, and bushes will be in between the patio and alleyway that leads to residential addresses. The patio hours will be limited to 9:00 p.m. Sunday through Wednesday and 10:00 p.m. Thursday through Saturday. There will be no speakers and no entertainment in the outdoor patio area. Noise concerns will be taken seriously and will be dealt with immediately. Customers will be asked by staff to please respect the neighborhood and keep noise to a minimum while in the outdoor area.

PUBLIC HEARING SUMMARY

171 notices were mailed to property owners and residents within 600 feet of the main door of the establishment on October 9, 2013. 7 multi-residential buildings were posted as well. The public hearing is scheduled at the Regulatory, Energy & Environment Committee on October 21, 2013.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Liquor with Sunday Sales, Class E license, and 2 AM license.

LICENSE CONDITIONS

None